

# IMPORTANT BUYER AND SELLERS RESPONSIBILITIES

## DURING ESCROW

Buyers and sellers have different responsibilities in an escrow transaction.

**BUYERS:** *If the transaction is contingent upon a loan*



**Obtain A Loan:** arrange the loan directly with a lender of their choice or choose to work with a mortgage broker to arrange the necessary loan for them.



**Provide Contact Information:** The buyer or his or her real estate agent or broker must provide the escrow officer with the contact information of the mortgage broker and/or lender because part of the escrow officer's duties is to follow-up on the progress, approval, processing, and funding of the buyer's loan.



**Obtain Hazard Insurance:** Obtain a new hazard insurance policy on the property that is acceptable to the lender. This information will also be requested by the escrow officer and the buyer will be expected to provide it to escrow.



**Determine Vesting:** Instruct the escrow officer about the way in which they will take title to the property. Title vesting options and decisions should be taken seriously, fully researched by the buyer, and a licensed attorney and/or tax professional should be consulted if questions arise.

**SELLERS:**



**Current Mortgage Information:** If the property has a mortgage, the seller will have to provide the escrow officer with the name of their mortgage lender, loan number, and contact information.



**Property Information:** provide information related to their property taxes, homeowner's insurance, rental data (*in the case of investment property*) and homeowner association information in the event of a condominium.



**Trust Information:** If title to the property is in trust, the seller may have to provide a copy of the trust and/or certificate of trust to both the escrow and title company.

**BUYERS AND SELLERS:**



**Travel Arrangements:** If the sellers or buyers are planning on leaving California or the US during their escrow, please let your escrow officer know prior to your departure.

The requirements placed and imposed on the parties to an escrow vary depending on the nature of the transaction and may change due to unexpected circumstances. In an effort to fully understand what will or may be expected of you, it is important to communicate with your escrow officer about these items in advance.

SOURCE | [DRE.CA.GOV](http://DRE.CA.GOV)